

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 4/16/2013	(3) CONTACT/PHONE Janette Pell, General Services Agency, Director / (805) 781-5200	
(4) SUBJECT Request to reject public bids for construction of improvements, adopt the revised Contract Documents (Clerk's File), and authorize public rebidding for construction services for the Atascadero Library and North County Service Center located at 6555 Capistrano, Atascadero, CA, and direct the County Clerk to give Notice to Bidders. District 5.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Reject public bids received on or before January 24, 2013, for the Atascadero Library and North County Service Center construction project, 2. Adopt the revised Contract Documents (Clerk's File) and authorize the County clerk to re-advertise to receive new bids for construction services for the Atascadero Library and North County Service Center, 3. Make the findings that particular materials, products and control systems that are components of the proposed construction of the Atascadero Library/North County Service Center are to be designated by specific brand names or trade names to match other materials, products and control systems in use in other facilities within the County, as authorized by the Public Contract Code, Section 3400(c)(2), 4. Direct staff to set forth the brand name findings in the Invitation to Bidders, and incorporate the requirements for the particular material, products and control systems into the bid documents, and 5. Instruct the County Clerk to give Notice to Bidders, call for sealed bids no later than 3:00 PM on May 16, 2013. 			
(6) FUNDING SOURCE(S) \$193,000 – Library Atascadero Expansion Designation \$214,650 – PFF – Libraries \$91,650 – Friends of the Atascadero Library \$4,359,400 – WBS# 320035, North County Service Center	(7) CURRENT YEAR FINANCIAL IMPACT Atascadero Library Expansion construction estimate: \$2,278,600 (w/ Change Order allowance) Total Library project cost estimate: \$3,792,700 North County Service Center construction estimate: \$1,111,100 (w/ Change Order allowance) Total Service Center project cost estimate: \$1,766,600	(8) ANNUAL FINANCIAL IMPACT NA	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) NA		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: NA <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>10/07/08, 04/07/09, 07/14/09, 04/06/10, 11/09/10, 12/14/10, 02/08/11, 1/10/12, 12/18/12</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) District 5 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Janette Pell, General Services Agency, Director
805/781-5200

DATE: 4/16/2013

SUBJECT: Request to reject public bids for construction of improvements, adopt the revised Contract Documents (Clerk's File), and authorize public rebidding for construction services for the Atascadero Library and North County Service Center located at 6555 Capistrano, Atascadero, CA, and direct the County Clerk to give Notice to Bidders. District 5

RECOMMENDATION

It is recommended that the Board:

1. Reject public bids received on or before January 24, 2013, for the Atascadero Library and North County Service Center construction project,
2. Adopt the revised Contract Documents (Clerk's File) and authorize the County clerk to re-advertise to receive new bids for construction services for the Atascadero Library and North County Service Center,
3. Make the findings that particular materials, products and control systems that are components of the proposed construction of the Atascadero Library/North County Service Center are to be designated by specific brand names or trade names to match other materials, products and control systems in use in other facilities within the County, as authorized by the Public Contract Code, Section 3400(c)(2),
4. Direct staff to set forth the brand name findings in the Invitation to Bidders, and incorporate the requirements for the particular material, products and control systems into the bid documents, and
5. Instruct the County Clerk to give Notice to Bidders, call for sealed bids no later than 3:00 PM on May 16, 2013.

DISCUSSION

The General Services Agency requests the Board reject all public bids received on or before January 24, 2013 for the construction of improvements for the Atascadero Library and North County Service Center. This recommendation was made by a Protest Hearing Board that was assembled due to a request for a formal protest hearing by the apparent second lowest bidder for this project. The Protest Hearing Board considered all the information provided and recommended that the Board of Supervisors reject all bids and re-advertise the project. Public Contract Code, Section 22038 allows the Board to reject all bids and seek new bids for the project.

Background

The County Library and Administrative Office identified the Atascadero Library expansion and North County Service Center as one of its priorities for the growing areas within Atascadero. The new Library and North County Service Center will accommodate the County's needs of expansion and service to the public.

In the FY 2007-08 the Board approved funding to initiate the project to expand the existing Atascadero Library. A needs assessment and constraints study were completed indicating the strengths and deficits of the existing site. The Library also reviewed two other site options to purchase and modify existing vacant buildings. In 2010 the Board authorized the

purchase of a 22,000 square foot facility at 6555 Capistrano Drive with the intent that a portion of the building would be utilized for the North County Service Center.

The Memorandum of Understanding (MOU) between the County and Friends of the Atascadero Library established terms stipulating a shared building with the North County Service Center. The construction cost and use of the building shall be divided 68% Library and 32% Center. County Library and Friends of the Atascadero Library share the 68% portion of the project and equally split that expense.

Bid Protest

On December 18, 2012 the Board authorized public bidding for construction services for the Atascadero Library and North County Service Center. Requests for Construction bids for this project were due on or before January 24, 2013. Seven bids were received for the construction of the Atascadero Library and North County Service Center. The apparent low bidder was Maino Construction, Inc. At that time, the apparent second lowest bidder filed a bid protest. County staff worked through the protest process with the apparent second lowest bidder requesting a formal appeal hearing. A hearing was held between the apparent first and second lowest bidders before a General Services Agency Protest Hearing Board. The advisory Protest Hearing Board consisted of staff from General Services Agency, County Counsel, and County Public Works. The Protest Hearing Board spent several hours reviewing and discussing the documentation. After considering all the information provided, the Protest Hearing Board concluded it was in the public interest that it recommend to the Board of Supervisors that it reject all the bids for the project and seek new bids, consistent with Public Contract Code section 22038.

Revised Bid Documents

The Public Contract Code, Section 22038, allows the Board of Supervisors to reject all bids in its discretion and authorize the project to be re-bid, following certain guidelines. Pursuant to these guidelines, the General Services Agency has reviewed and revised the bid specifications for the work. The General Services Agency has modified the specifications to clarify each perceived discrepancy based on the various requests for information documented in the Addendums to the original bid.

In addition, consistent with Public Contract Code Section 3400, staff is recommending the Board make the findings that particular materials, products and control systems that are components of the proposed construction of the Atascadero Library and North County Service Center to be designated by specific brand names or trade names, as listed in Attachment B, to match other materials, products and control systems in use in other facilities within the County. The list includes products and systems such as door hardware, building automation and fire alarm system. These products form a major part of the existing County facility infrastructure and are significant investment at County facilities. Allowing a contractor or vendor to replace the existing systems and implement alternative products could result in a substantial cost to the County. Standardization will allow the County to maintain compatibility within the County and to maximize staff effectiveness in servicing these systems.

Notice to Bidders

The Atascadero Library and North County Service Center projects are ready to move forward through bidding and construction of the facility improvements. It is recommended that the Board authorize rebidding for construction to remodel the property at 6555 Capistrano, Atascadero, CA, and instruct the County Clerk to give Notice to Bidders and call for new bids no later than 3:00 PM on May 16, 2013. It is further recommended that the Board direct staff to set forth the brand name findings in the Notice to Bidders and incorporate the requirements for the specific materials, products and control systems into the bid documents.

OTHER AGENCY INVOLVEMENT/IMPACT

The County Administrative Office provides general oversight of both the Atascadero Library and North County Service Center projects. The Assessor's Office, Clerk-Recorder, and Planning and Building have been and continue to be involved in the project design. The Friends of the Atascadero Library are thoroughly involved with the project. City of Atascadero – Public Works and Fire Departments have been consulted for architectural, zoning and off-site improvement, life safety requirements and the County Planning Environmental division has provided a Categorical Exemption.

General Services Agency, County Counsel, and Public Works staff served on the Protest Hearing Board and were responsible for the recommendation to reject all bids and authorize rebidding.

FINANCIAL CONSIDERATIONS

Atascadero Library

The current project began as an evaluation of the existing site of the Library at 6850 Morro Road for expansion. A consultant was hired and an evaluation was completed with several options being generated. Expenses for this portion of the project were \$82,865. At the conclusion of the site evaluation, a residual of \$37,135 remained (December 31, 2010).

An existing shell building at 6555 Capistrano was subsequently chosen and purchased in December 2010 as the site for a new and expanded library. This site also provided the opportunity to co-locate county offices in a North County Services Center, which was previously expected to have been built on a separate site. The co-location with the library will reduce expected costs and result in cost savings to the County.

In November 2010, the County and the Atascadero Friends of the Library entered into a memorandum of understanding (MOU) that agrees to share the costs of the building and construction 68% Library and 32% North County Services Center. The County and the Friends further agreed to split the cost of the Library portion equally. (In February 2013 the Atascadero Friends successfully raised their half of the estimated total project costs, a total of approximately \$2 million.) The table below summarizes the costs as they were estimated at the end of calendar year 2010.

Cost of Capistrano location		\$3,415,000
North County Services Center	32%	\$1,092,800
Library (split 50/50 County/Friends)	68%	\$2,322,200
Cost of Architectural and Tenant Improvements:		<u>\$4,996,500</u>
North County Services Center	32%	\$1,598,880
Library (split 50/50 County/Friends)	68%	\$3,397,620
Total Estimated Project Cost:		\$8,411,500

Total Funding Needed:		\$8,411,500
North County Services Center	32%	\$2,691,680
Library (split 50/50 County/Friends)	68%	\$5,719,820
Estimated proceeds from sale of existing library		(\$1,599,820)
Balance of funds needed (split 50/50 County/Friends)		(\$4,120,000)

In February 2011 an architect to develop the design and construction documents for the project and in January 2013 the project was advertised for bid. As discussed above, staff now recommends that all bids received be rejected and that the project be authorized for re-bidding.

The following Table summarizes the estimated expenses for the Atascadero Library expansion project by category and the sources of funding to finance the project. Note that, due to small to moderate scope changes and staff fee increases from previous years, professional services and project administration costs have been adjusted slightly upward. In a project that is mostly tenant improvement, the risk of unforeseen circumstances is minimal, therefore the contingency has been adjusted to maintain the January 10, 2012 project budget.

Atascadero Library EXPENDITURES (WBS #320030)	EXISTING SITE EVALUATION EXPENSES (12/31/10)	CAPISTRANO EXPENSES TO DATE (FROM 01/01/11)	TOTAL PROJECT EXPENSES TO DATE (02/28/13)	01/10/12 ESTIMATE	REVISED ESTIMATE THRU CONSTR.	VARIANCE BETWEEN 01/10/12 & REVISED ESTIMATE
Project Administration	\$38,128	\$113,986	\$152,114	\$182,700	\$231,435	\$48,735
Professional Services	\$44,737	\$248,993	\$293,730	\$283,100	\$343,099	\$59,999
Construction (includes Change Order Allowance)	\$0	\$0	\$ 0	\$2,278,600	\$2,278,600	\$ 0
Contingencies (includes an inflation factor)	\$0	\$0	\$ 0	\$593,300	\$484,566	(\$108,734)
Miscellaneous (includes \$400K FFE)	\$0	\$4,725	\$4,725	\$455,000	\$455,000	\$ 0
TOTAL EXPENDITURES	\$82,865	\$367,704	\$450,569	\$3,792,700	\$3,792,700	\$ 0

Atascadero Library FUNDING (WBS #320030)	EXISTING SITE EVALUATION FUNDING (12/31/10)	CAPISTRANO FUNDING TO DATE (FROM 01/01/11)	TOTAL PROJECT FUNDING TO DATE (11/31/12)
Atascadero Library Expansion Designation	\$35,000	\$158,000	\$193,000
PFF - Library	\$25,000	\$189,650	\$214,650
Friends of the Atascadero Library	\$60,000	\$31,650	\$91,650
FUNDING TOTALS	\$120,000	\$388,300	\$499,300

Once rebidding is completed, General Services will return to your Board with a request to award a construction contract. A budget augmentation to fund the construction and closeout phases of the project will be requested at that time.

North County Service Center

The following Table summarizes the estimated expenses for the North County Service Center project by category and the sources of funding to finance the project. Due to small to moderate scope changes and staff fee increases from previous years, professional services and project administration costs have been adjusted slightly upward. In a project that is mostly tenant improvement, the risk of unforeseen circumstances is minimal, therefore the contingency has been adjusted to maintain the January 10, 2012 project budget. The project is fully funded through construction and closeout.

North County Service Center EXPENDITURES (WBS #320035)	TOTAL EXPENSES TO DATE (02/28/13)	01/10/12 ESTIMATE	REVISED ESTIMATE THRU CONSTR.	VARIANCE BETWEEN 01/10/12 & REVISED ESTIMATE
Project Administration	\$52,403	\$91,200	\$105,147	\$13,947
Professional Services	\$106,391	\$119,900	\$127,580	\$7,680
Construction (includes Change Order allowance)	\$ 0	\$1,111,100	\$1,111,100	\$ 0
Contingencies (includes an inflation factor)	\$ 0	\$281,900	\$260,273	(\$21,627)
Miscellaneous	\$ 3,951	\$162,500	\$162,500	\$ 0
TOTAL EXPENDITURES	\$162,745	\$1,766,600	\$1,766,600	\$ 0

North County Service Center FUNDING WBS #320035)	TOTAL FUNDING TO DATE	INITIAL FUNDING	ADJUSTED Funding	VARIANCE
Capital Projects Fund Balance (Continuation of WBS #300048)	\$4,359,400	\$4,359,400	\$4,359,400	\$ 0
PFF – Gen Govt (eliminated in the FY 20011-12 Budget cycle)	\$ 0	\$825,762	\$0	(\$825,762)
FUNDING TOTALS	\$4,359,400	\$5,185,162	\$4,359,400	(\$825,762)

RESULTS

The renovation of the existing building at 6555 Capistrano will almost double the size of the existing library facility providing better long term library services to the community. The North County Service Center will provide expanded services to the public, and invests in a County owned facility. The extended life of the new facility, services and accessible location contributes to the communitywide result of a livable and well governed community.

ATTACHMENTS

1. Atascadero Library/North County Service Center Vicinity Map
2. Attachment A – Chronology of Board Actions
3. Attachment B – Specific Brand Name and/or Trade Names
4. Atascadero Library/NCSC Plans and Specifications (Clerk's File)